

Fiscal Highlights

Incremental Tax Changes - Ben Leishman

How much revenue is generated from an incremental change in one of the state taxes? In response to this question, representatives from the Legislative Fiscal Analyst's Office presented this [matrix](#) to the Education Taskforce during its July meeting. The matrix provides estimates for the Income Tax, Property Tax, Sales Tax, and Gas Tax. The incremental tax change and estimated revenue amounts are as follows:

- Income Tax: Increase 1% to 6% - \$585 million
- Property Tax: Increase \$100 per residence & business - \$120 million
- Property Tax: Freeze the Basic Rate at 0.001535 - \$12 million
- Sales Tax: Increase 1% - \$515 million
- Gas Tax: Increase one cent to \$25.5 cents per gallon - \$10 million

Estimates are based on economic indicators and revenue estimates used to build the FY 2015 budget. These estimates will change as the 2015 General Session approaches and economic indicators are updated.

The Taskforce members asked that staff include estimates for the following on the matrix:

- Revenue generated from certain tax policy changes, namely, income tax exemptions and sales tax earmarks.
- Impact of tax changes on taxpayer groups.

This matrix will be updated in the coming months to include the additional information requested by the Education Taskforce.